



LEGISLATURE

MINUTES

NATURAL RESOURCES, AGRICULTURE, AND ENVIRONMENTAL QUALITY APPROPRIATIONS SUBCOMMITTEE

Monday, October 19, 2020 | 1:00 p.m. | 210 Senate Building

Members Present:

Sen. David P. Hinkins, Senate Chair
Rep. Stewart E. Barlow, House Chair
Rep. Scott H. Chew, House Vice Chair
Sen. Don L. Ipson
Sen. Jani Iwamoto
Sen. Ralph Okerlund
Sen. Scott D. Sandall
Sen. Daniel W. Thatcher
Sen. Ronald Winterton
Rep. Carl R. Albrecht
Rep. Kera Birkeland
Rep. Kay J. Christofferson

Rep. Stephen G. Handy
Rep. Suzanne Harrison
Rep. Karen Kwan
Rep. Lee B. Perry
Rep. Casey Snider
Rep. Keven J. Stratton

Members Absent:

Rep. Phil Lyman

Staff Present:

Greta G. Rodebush, Executive Assistant
Ivan D. Djambov, Finance Manager
Lacey K. Moore, Financial Analyst

Note: A copy of related materials and an audio recording of the meeting can be found at www.le.utah.gov.

1 . Call to Order

Chair Barlow called the meeting to order at 1:02 p.m.

2 . Approval of Minutes

MOTION: Rep. Albrecht moved to approve the minutes of August 17, 2020. The motion passed with a vote of 13 - 0 - 6.

Yeas-13

Rep. C. Albrecht
Rep. S. Barlow
Rep. S. Chew
Rep. K. Christofferson
Rep. S. Handy
Sen. D. Hinkins
Sen. J. Iwamoto
Rep. K. Kwan
Sen. R. Okerlund
Rep. L. Perry
Sen. S. Sandall
Sen. D. Thatcher
Sen. R. Winterton

Nays-0

Absent-6

Rep. K. Birkeland
Rep. S. Harrison
Sen. D. Ipson
Rep. P. Lyman
Rep. C. Snider
Rep. K. Stratton

3 . An In-Depth Budget Review of the Department of Environmental Quality

Darin Underwood, Deputy Auditor General, Office of the Legislative Auditor General (OLAG), introduced the in-depth budget review of the Department of Environmental Quality (DEQ), which focused on the regulatory effectiveness and efficiency of the department.

David Gibson, Audit Supervisor, OLAG, discussed DEQ's inspection and compliance processes within the Division of Drinking Water, the Division of Environmental Response and Remediation, the Division of Waste Management and Radiation Control, and the Division of Water Quality.

[3\) LAG Presentation - In-Depth Budget Review of the Department of Environmental Quality](#)

4 . A Performance Audit of the Division of Air Quality

Darin Underwood introduced the performance audit of the Division of Air Quality (DAQ).

Hillary Galvin, Audit Staff, OLAG, reported on compliance activities and incentive programs within the division.

Rep. Chew asked questions about woodburning stove conversions and emissions reductions. Hillary Galvin responded.

Rep. Christofferson asked about inspection violations. David Gibson responded.

Rep. Christofferson asked about hiring private companies to help with the backlog of program inspections. Scott Baird, Executive Director, DEQ, responded.

Rep. Albrecht commented on the lack of data management on clean air projects and the need for requirements on aboveground storage tanks. Dave Gibson responded.

Scott Baird responded to the audit recommendations regarding data management and the Wood Smoke and Fireplace Appliance Conversion Assistance Program.

Sen. Winterton inquired about the monitoring of air quality associated with wildfire smoke on federal lands. Scott Baird responded.

Bryce Bird, Director, DAQ, noted that the division's air quality plan does not address the regulatory impacts of wildfire smoke in Utah.

Sen. Winterton asked about division efforts to consolidate monitoring with the Division of Oil, Gas, and Mining (DOGM). Scott Baird responded.

Sen. Hinkins asked if gas station owners with aboveground storage tanks would be able to participate in the Super Fund. Scott Baird responded.

Rep. Perry inquired about the use of electronic devices to track inspections at waste locations and self-inspection training at landfills. David Gibson and Scott Baird responded.

Sen. Okerlund commented on the challenges associated with the monitoring of rural drinking water systems. Scott Baird responded.

Sen. Hinkins thanked Utah's federal partners that have provided funding to ensure that rural cities have good drinking water.

5 . Agency Fee Data Quality Exercise Update

Lacey Moore discussed the Issue Brief, "Review of Agencies, Fee Data for Accuracy (Year 5)."

[5\) FY 2020 Fee Data Quality Exercise \(NRAEQ Appropriations Subcommittee\)](#)

Rep. Stratton asked if the agencies' fees also included fines. Lacey Moore responded.



MOTION: Sen. Hinkins moved that the Department of Agriculture and Food (UDAF) report to the Natural Resources, Agriculture, and Environmental Quality Appropriations Subcommittee on the progress they are making on their fee data along with justifications. The motion passed with a vote of 16 - 0 - 3.

Yeas-16

Rep. C. Albrecht
Rep. S. Barlow
Rep. K. Birkeland
Rep. S. Chew
Rep. K. Christofferson
Rep. S. Handy
Rep. S. Harrison
Sen. D. Hinkins
Sen. J. Iwamoto
Rep. K. Kwan
Sen. R. Okerlund
Rep. L. Perry
Sen. S. Sandall
Rep. K. Stratton
Sen. D. Thatcher
Sen. R. Winterton

Nays-0

Absent-3

Sen. D. Ipson
Rep. P. Lyman
Rep. C. Snider

Sen. Hinkins asked staff to set up a date and time for UDAF to present its report to the subcommittee.

6 . Fiscal Note & Budget Item Follow Up Report

Ivan Djambov presented the Fiscal Note and Budget Follow Up Report.

[6\) Fiscal Note & Budget Item Follow Up Tableau Dashboard](#)

Sen. Hinkins inquired about the use of Idaho's \$50,000 match to the Bear Lake Regional Commission (BLRC). Ivan Djambov responded.

Sen. Hinkins asked for more information about the BLRC. Ivan Djambov responded.

MOTION: Sen. Hinkins moved that the Bear Lake Regional Commission report to the Natural Resources, Agriculture, and Environmental Quality Appropriations Subcommittee on what the commission does and how the commission uses its funding. The motion passed with a vote of 16 - 0 - 3.



Yeas-16

Rep. C. Albrecht
Rep. S. Barlow
Rep. K. Birkeland
Rep. S. Chew
Rep. K. Christofferson
Rep. S. Handy
Rep. S. Harrison
Sen. D. Hinkins
Sen. J. Iwamoto
Rep. K. Kwan
Sen. R. Okerlund
Rep. L. Perry
Sen. S. Sandall
Rep. K. Stratton
Sen. D. Thatcher
Sen. R. Winterton

Nays-0

Absent-3

Sen. D. Ipson
Rep. P. Lyman
Rep. C. Snider

Sen. Hinkins asked about the percentage of money that DOGM receives from the extraction industries. Ivan Djambov responded.

7 . Industrial Hemp and Medical Cannabis Programs Update

Logan Wilde, Commissioner, Department of Agriculture and Food (UDAF) introduced Cody James, Program Manager, Industrial Hemp and Medical Cannabis Program, UDAF.

Cody James reported on the Industrial Hemp and Medical Cannabis programs. He discussed licensing, product registration, retail outlet permits, inspections, medical cannabis production, testing of samples, and budgets.

Rep. Chew asked about program violations. Cody James responded.

Sen. Hinkins asked about the processing and uses of industrial hemp fiber. Cody James responded.

Rep. Stratton inquired about crossover inspections and sources of revenue for both programs. Cody James responded.

8 . Agency Performance Measures

Lacey Moore presented the FY 2020 Line Item Performance Measure Report explaining that the report offers the subcommittee a chance to determine if the previous fiscal year's results are or are not sufficient to evaluate the performance of agencies.

[8\) FY 2020 Line Item Performance Measure Report](#)

Sen. Iwamoto asked a clarifying question about the alignment of targets and performance measures. Lacey Moore responded.

Rep. Christofferson asked if the line item performance measures were the same measures that the Governor's Office of Management and Budget requires. Lacey Moore and Ivan Djambov responded.

MOTION: Rep. Christofferson moved to request each committee member to participate in evaluating agency performance measures.

Rep. Kwan expressed her concern about the timing of the evaluation assignment given the lateness in the year. Chair Barlow responded.

Rep. Christofferson's motion passed with a vote of 16 - 0 - 3.

Yeas-16

Nays-0

Absent-3

Rep. C. Albrecht
Rep. S. Barlow
Rep. K. Birkeland
Rep. S. Chew
Rep. K. Christofferson
Rep. S. Handy
Rep. S. Harrison
Sen. D. Hinkins
Sen. J. Iwamoto
Rep. K. Kwan
Rep. L. Perry
Sen. S. Sandall
Rep. C. Snider
Rep. K. Stratton
Sen. D. Thatcher
Sen. R. Winterton

Sen. D. Ipson
Rep. P. Lyman
Sen. R. Okerlund

9 . A Performance Audit of the Division of Oil, Gas and Mining Update

Rikki Hrenko-Browning, President, Utah Petroleum Association, expressed support for recent legislative actions that addressed the recommendations outlined in Chapter IV of "A Performance Audit of Utah's Oil and Gas Program" dated November 2019. She also noted that the Association has been working informally with DOGM, Utah Geological Survey, and DAQ to find sustainable funding mechanisms.

John Baza, Director, DOGM, responded to Sen. Hinkins' question about the funding of the Oil and Gas Program and briefly commented on DOGM's response to the performance audit and recent division activities.

[9\) Update: Performance Audit of the Division of Oil, Gas and Mining \(Report\)](#)

Bart Kettle, Deputy Director, DOGM, discussed areas of improvement that included enforcement philosophy, workflow prioritization, and financial management.

[9\) Update: Performance Audit of the Division of Oil, Gas and Mining \(Presentation\)](#)

Sen. Hinkins discussed opening a bill file to increase the fee levied on oil and gas production value at the well to offset the decline in the Oil and Gas Conservation Account.

John Baza concluded his response.

Rep. Christofferson suggested that the oil and gas companies might pay for their own inspections though a private company or work with other state agencies that make inspections. John Baza and Sen. Hinkins responded.

Rep. Albrecht complimented John Baza and Bart Kettle for the improvements the division has made since last year's audit.

10 . An In-Depth Budget Review of the Department of Natural Resources Update

Brian Steed, Executive Director, Department of Natural Resources (DNR), reported on "An In-Depth Budget Review of the Department of Natural Resources" highlighting some of the changes that the department has made to improve its programs.

Sen. Ipson complimented Brian Steed on the positive way that he has directed the department. He inquired about the regulation of fees for non-residents using all-terrain vehicles. Brian Steed responded.

11 . State Water Plan Update

Todd Adams, Director, Division of Water Resources, DNR, gave an update on the State Water Plan, along with the water supply report for 2020.

Brian Steed indicated that he was currently reviewing the State Water Plan.

12 . Quagga Mussel Infestation and Inspection Stations

Nathan Owens, Aquatic Invasive Species Coordinator, Division of Wildlife Resources, presented the report and gave an update on strategies to control quagga muscle infestation.

Sen. Hinkins asked about the possibility of partnering with Arizona to form a Lake Powell Commission. Nathan Owens responded.

13 . Other Business

There was no other business.

14 . Adjourn

MOTION: Sen. Hinkins moved to adjourn. The motion passed with a vote of 17 - 0 - 2.

Yeas-17

Rep. C. Albrecht
Rep. S. Barlow
Rep. K. Birkeland
Rep. S. Chew
Rep. K. Christofferson
Rep. S. Handy
Rep. S. Harrison
Sen. D. Hinkins
Sen. D. Ipson
Sen. J. Iwamoto
Rep. K. Kwan
Rep. L. Perry
Sen. S. Sandall
Rep. C. Snider
Rep. K. Stratton
Sen. D. Thatcher
Sen. R. Winterton

Nays-0

Absent-2

Rep. P. Lyman
Sen. R. Okerlund

Chair Barlow adjourned the meeting at 3:57 p.m.